



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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August 30, 1999

David Miller, Mine Manager
Lodestar Energy, Inc.
HC 35 Box 370
Helper, Utah 84526

Re: Tentative Approval of Revised Chapter 2, Lodestar Energy Inc., Horizon Mine, ACT/007/020-AM99F, Folder # 2, Carbon County, Utah

Dear Mr. Miller:

The Division has reviewed the revised chapter 2 information submitted on August 20, 1999, which was submitted to update the plan with regard to ownership information. The revision is acceptable for insertion to the mine plan and is hereby tentatively approved. However, there are some details that need to be completed before receiving final approval. This includes the following:

- The revised chapter 2 indicates that Lodestar has no interest, options or pending bids on contiguous lands. Owning the Beaver Creek Coal Lease (UTU-74804) would be considered an interest in lands contiguous to the permit. This statement must be corrected.
- The Division's copy of the Mining and Reclamation plan does not contain a copy of the Beaver Creek Lease. A copy of the lease must be submitted for insertion to Appendix 2-3.
- Six clean copies (redline/strikeout removed) of the revised chapter 2 must be submitted for insertion to the approved Mining and Reclamation Plan and distribution.

Once the above items have been completed, final approval will be granted. Please submit these items by no later than September 17, 1999. Thank you for your help in completing this action. Please call if you have any questions.

Sincerely,

Daron R. Haddock
Permit Supervisor

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cc: Vicky Miller (Earthfax)
Price Field Office

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